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THE Wheat SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
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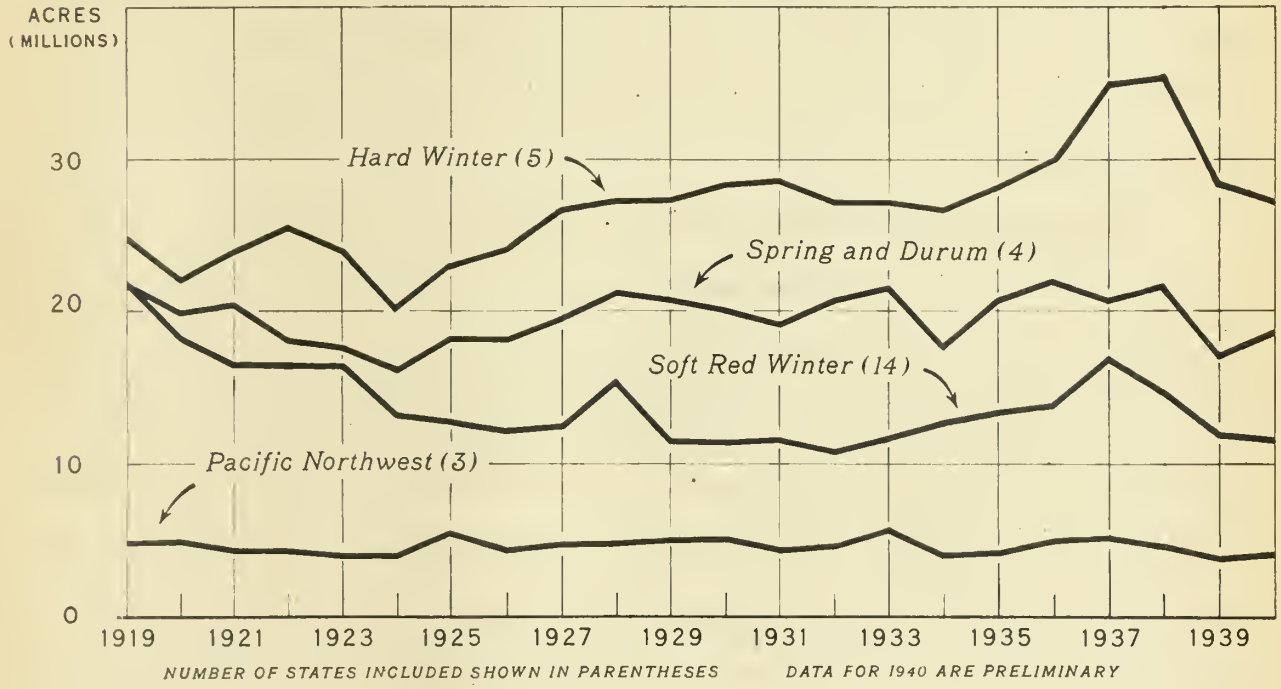
WHEAT: U. S. ACREAGE SEEDED, BY REGIONS, 1919-40



ALL WHEAT AREAS SHARED IN THE ACREAGE DECLINE IN 1939. THE ACREAGES OF HARD WINTER AND SOFT WINTER WHEAT DECLINED STILL FURTHER IN 1940, AT A TIME WHEN A SMALL INCREASE TOOK PLACE IN THE PACIFIC NORTHWEST AND A MODERATE INCREASE IN THE SPRING WHEAT REGION. COMPARED WITH THE 5-YEAR PERIOD 1929-33, WHEN ACREAGE WAS FAIRLY STABLE, THE PRELIMINARY ESTIMATE OF THE ACREAGE SEEDED FOR HARVEST IN 1940 IS ONE PERCENT ABOVE FOR THE SOFT RED WINTER WHEAT REGION, 2 PERCENT BELOW FOR THE HARD WINTER WHEAT REGION, 9 PERCENT BELOW FOR THE SPRING WHEAT REGION, AND 16 PERCENT BELOW FOR PACIFIC NORTHWEST. FOR THE COUNTRY AS A WHOLE, THE ESTIMATED ACREAGE IS 4 PERCENT BELOW THE 5-YEAR AVERAGE.

THE WHEAT SITUATION

Summary

Wheat supplies in the United States for the year beginning July 1940 are now estimated at 1,068 million bushels, or 61 million bushels more than a year earlier. This total supply is 23 million bushels above the estimate of a month ago, the increase resulting from an upward revision in the spring wheat production estimate. Domestic disappearance for the year beginning July 1940 will be about 700 million bushels - which would leave 368 million bushels for export to foreign countries and shipments to possessions in 1940-41 or for carry-over July 1, 1941, compared with 332 million bushels a year earlier.

Export prospects remain uncertain. Exports and shipments for the season to date are running less than those of a year earlier, when they totaled 48 million bushels.

Domestic wheat prices after reaching a low on August 16 have risen to the highest levels of the season. Contributing to the strength in prices has been the reduction in the quantity of free wheat in the markets as a result of the loan program, and also to some extent war developments in Europe. Prices generally are now close to the loan values, Minneapolis excepted, and continue well above export parity and also above the levels in August 1939 before war was declared.

World wheat supplies, excluding those in the Soviet Union and China, for the year beginning July 1940 may be less than 100 million bushels smaller than a year earlier, when they totaled about 5,445 million bushels, the largest supply on record. Available information indicates that the carry-over in July 1940 was about 215 million bushels larger than the 1,175 million bushels carried over in July 1939, and that the crop may be reduced by about 275 million bushels from the large 1939 crop estimated at 4,270 million bushels.

-- September 25, 1940

THE DOMESTIC WHEAT SITUATION FOR THE 1940 CROP

BACKGROUND.- The carry-over of old wheat in the United States averaged about 230 million bushels in the 10-year period 1930-39, during which a record peak of about 360 million bushels was reached in 1933 and a low in 1937 of about 83 million bushels (lowest since 1919). The domestic disappearance during the 10 years 1930-39 averaged about 695 million bushels, with the highest of about 755 million bushels in 1931 and the lowest of about 625 million bushels in 1933. Wheat supplies in the United States for the year beginning July 1, 1939 were 1,007 million bushels, disappearance 675 million bushels, exports and shipments to possessions 48 million bushels, leaving a carry-over on July 1, 1940 of 284 million bushels.

Domestic wheat prices from the spring of 1933 to the spring of 1937 were unusually high in relation to world prices, as the result of small crops in the United States. During this same period, prices in other countries also moved upward, reflecting a world-wide recovery in commodity price levels, currency depreciation, and reduced production. The average prices received by United States producers for the 1931 and 1932 crops were 39 and 38 cents, respectively, compared with average prices for the four crops, 1933 to 1936, of 74, 85, 83, and 103 cents per bushel, respectively.

In 1937 United States production was large and prices to growers declined to an average of 96 cents. In 1938, with domestic production again large, with a record world crop and with lower commodity prices generally, prices received by producers declined to an average of 56 cents, 1/ and would have averaged still lower had it not been for the loan and export-subsidy programs which held domestic prices above export parity.

Prices received by growers for wheat during the year beginning July 1939 are estimated at 69 cents. 1/ This also is relatively high compared with the usual relationship to prices in other countries, as a result of only a moderately large carry-over, reduced acreage, poor prospects for 1940 yields, and holding of wheat in expectation of higher prices. Prices advanced sharply in September 1939, following the outbreak of the European War, and again in December, influenced by war developments and by poor crop prospects in Argentina and the United States. In the middle of May 1940, following the turn of events in Europe, selling became heavy and most of the gains were lost.

Domestic wheat crop estimate increased 23 million bushels

Production of wheat in 1940, as of September 1, was indicated at 783,560,000 bushels, the increase of 22,937,000 bushels above the August

1/ Includes unredeemed loan wheat at average loan values.

forecast being due to the addition of that amount to the indicated spring wheat production. This 1940 production of all wheat compares with the 1939 crop of 754,971,000 bushels and the 10-year (1929-38) production of 754,685,000 bushels. The prospective total wheat crop is 3.8 percent above last year's production, although the harvested acreage was 2 percent lower than it was last year and 7.4 percent lower than the 10-year (1929-38) average.

Production of all spring wheat was indicated at 227,721,000 bushels, compared with 191,540,000 bushels last year and the 10-year average of 183,619,000 bushels. The prolonged cool spring, good filling weather, and improved moisture supply in most of the spring wheat belt were reflected in substantial increases in the yields indicated on September 1 compared with the August 1 forecasts in practically all States. Durum wheat production was indicated at 35,599,000 bushels, compared with 34,360,000 bushels last year and the 10-year average of 29,619,000 bushels. Production of other spring wheat was placed at 192,122,000 bushels, or a crop 22 percent larger than last year's 157,180,000 bushels, and approximately one-fourth above average.

Total wheat supplies about 61 million bushels above year ago

Total wheat supplies for the United States are now estimated at 1,068 million bushels, or 61 million bushels more than in 1939. Table 1 shows the July 1, 1940 carry-over of old wheat, the current crop estimate, and probable prospective utilization, by classes, for 1940-41. As a result of increased use of wheat for feed, total domestic disappearance is expected to be larger than the 675 million bushels in 1939-40. Export prospects remain very uncertain. Exports for the season to date are running less than they were a year earlier, an indication that for the year as a whole they will total less than the 45-million bushel total in 1939-40. For the month of July this year exports of wheat and flour made from domestic wheat totaled the equivalent of 3.1 million bushels compared with 6.5 million bushels in July 1939. Shipments to possessions usually total about 3 million bushels a year.

Table 1. - Estimated prospective wheat supplies and probable distribution by classes for 1940-41

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.
Carry-over, July 1, 1940	135	25	85	18	21	284
Production 1/	286	216	160	37	85	784
Total supply	421	241	245	55	106	1,068
Prospective utilization	270	212	115	35	68	700
Available for carry-over, insurance stocks, and export	151	29	130	20	38	368

1/ August estimate for winter, September estimate for spring wheat.

Domestic wheat prices at highest levels of the season

Domestic wheat prices advanced sharply from August 16 to early September. Contributing to this strength in prices has been the reduction in the quantity of free wheat in the markets as a result of the loan program, and to some extent war developments in Europe. During the first week in September prices temporarily reacted to the sharp advance but have since recovered, and are now at the highest levels since June, and above those of last August before the war started. For the week ended September 21 the average of all classes and grades in six markets (table 2) was 6-1/2 cents above the average for the week ended August 17, 1-1/2 cents above the week ended June 29, and 5-1/2 cents above the August 1939 average. Compared with prices a year ago, after the sharp advance following the outbreak of the war, the average is about 13-1/2 cents lower.

Prices are now generally close to the loan rate, except at Minneapolis, and continue considerably above export parity. For the week ended September 21, No. 2 Red Winter at St. Louis was 1-1/2 cents above the loan, No. 1 Soft White at Portland about 1 cent above the loan, No. 2 Hard Winter at Kansas City 1-1/2 cents below, and No. 1 Dark Northern Spring at Minneapolis 6-1/2 cents below. Computed on the basis of export price values, the export indemnity which would be required to export wheat to Europe is now about 28 cents from the Gulf and 26 cents from Pacific ports. This is about 2 cents less than a year ago.

Average prices per bushel of wheat received by farmers in the United States monthly since July 1930 are shown in table 9, which brings up to date the table (starting with July 1908) published in The Wheat Situation October 26, 1939, page 17.

Table 2.- Weighted average cash price of wheat, specified markets and dates, 1939 and 1940

Month and date	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Soft White Portland 1/	
	1939	1940	1939	1940	1939	1940	1939	1940	1939	1940	1939	1940
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Month-												
June	74.5	78.3	70.9	76.3	84.4	82.3	76.4	73.9	73.4	87.4	73.1	72.4
July	67.5	72.4	66.7	70.7	77.8	78.8	73.3	77.4	68.5	75.8	69.8	73.5
Aug.	72.2	72.6	64.6	69.3	76.2	73.5	80.1	76.6	68.5	76.6	70.0	73.3
Week ended												
Aug. 3	69.7	74.0	66.7	70.9	76.7	77.8	78.5	75.8	68.6	77.2	69.9	74.5
10	70.7	73.1	62.8	70.1	74.8	75.4	77.9	72.3	66.8	77.0	69.6	74.7
17	71.3	71.2	64.4	68.4	76.1	72.0	79.8	74.5	69.4	75.5	69.7	72.5
24	75.6	71.7	67.3	67.4	78.4	72.2	81.5	76.6	70.9	73.3	70.3	71.9
31	77.3	73.8	67.5	69.8	81.3	74.8	83.1	81.1	73.0	76.0	72.5	73.2
Sept.7	92.9	77.9	87.0	74.5	94.6	79.8	97.9	82.6	94.2	80.7	86.8	74.1
14	91.1	76.3	86.0	73.9	94.1	80.1	95.9	83.3	89.6	82.6	81.3	72.8
21	90.5	77.7	86.5	75.6	93.3	80.6	93.7	82.4	89.8	82.5	80.8	74.3
High 2/	92.9	77.9	87.0	75.6	94.6	80.6	97.9	83.3	94.2	82.6	86.8	74.7
Low 2/	65.4	71.2	62.3	68.1	73.8	72.0	68.3	72.3	65.5	74.8	68.1	72.5

1/ Weekly average of daily cash quotations, basis No. 1 sacked. 2/ July 6 - September 21, 1940, and corresponding dates, 1939.

THE WORLD WHEAT SITUATION 2/

BACKGROUND.- Total world supplies of wheat increased sharply from 1924 to 1933, largely as a result of increased acreage. From 1934 to 1936, world supplies declined, following successive years of small yields and increased world demand. Supplies increased slightly in 1937. With above-average yields on the large acreage, supplies in 1938 and 1939 were the largest on record.

World wheat prices declined in the period 1924-33 with the increase in world supplies. The sharp decline in prices after 1929 was caused largely by the general decline in industrial activity and commodity prices. From the spring of 1933 to the summer of 1937, world wheat prices moved upward, reflecting world-wide recovery in commodity price levels, currency depreciation, and reduced production. The world price for the 1937 crop remained practically unchanged from that of a year earlier. In 1938, world prices again declined sharply as a result of record world production and weakness in demand. Prices in 1939-40 averaged higher than a year earlier, influenced by general expectations of increased demand for wheat as a result of the war, and by poor crop prospects in Argentina and the United States.

World trade in wheat and flour declined sharply following the peak year 1928-29, largely as the result of drastic restrictions on imports and increased production in major importing countries. In the early part of this period exports from the United States declined with those from other surplus-producing countries. During the period 1934-35 to 1936-37, small crops in the United States were followed by net imports. World wheat and flour exports in 1937-38 were about 518 million bushels, in 1938-39 about 638 million bushels, and in 1939-40 about 620 million bushels. Net exports from the United States in 1937-38 were 99 million bushels, in 1938-39 they were 106 million bushels and in 1939-40 they were 45 million bushels. In addition to exports to foreign countries, shipments to possessions usually total about 3 million bushels.

World production now indicated to be about 6 percent below 1939 crop

The 1940 world wheat production 3/ is now indicated at about 4 billion bushels. This is about 6 percent below that of 1939, and about 14 percent below the record 1938 crop. The estimates by countries are largely unofficial and necessarily based on fragmentary data, and are accordingly to be considered, at best, as indications. Estimates for the different parts of the world are shown in table 3. The Northern Hemisphere total is indicated at about 3,611 million bushels, which is about 7 percent below that of last year.

2/ All references to world acreage, yield, production, and stocks in this report exclude Soviet Russia and China.
3/ All references to world production and stocks in this report exclude The Soviet Union and China, except where noted.

The official September estimates for the United States and Canada are 784 and 561 million bushels, respectively. A Canadian crop of this size would be second only to the 567-million bushel crop in 1928, sharply higher than the 10-year (1930-39) average of 327 million bushels, and considerably above preliminary indications.

The tentative indications of production in Europe, other than the Danube Basin and the Soviet Union, have now been raised slightly from 1,060 million bushels to 1,075 million bushels, due to some recent reports of more favorable yields in some cases than expected earlier. This is about 15 percent below the total estimate for these countries in 1939. Production in all Europe, excluding the Soviet Union, appears to be about 20 percent below that of last year.

The crops in Belgium, The Netherlands, and parts of France are expected to be considerably reduced from last year and the average. Some reduction in the crop in French North Africa is reported, largely as a result of a prolonged spring drought. The first official estimate for Spain is 121 million bushels. This is some increase over the harvests of recent years, which were reduced by war activities, but it is still below normal consumption needs of the country. The first official estimate for Italy is 268 million bushels. Though this is a reduction of nearly 10 percent from the large harvests of the past 3 years, it closely corresponds to the average for the 5 years 1933-37. The first official estimate for Greece is placed at 34 million bushels, which compares with 30 million bushels harvested in 1939. An increase in the wheat acreage for this season of around 8 to 10 percent has been estimated, so that yields per acre appear well below those of a year ago. The crop in Germany is expected to be below the large crops of the past 2 years, although close to average. It is reported that in the Balkans the yields of winter wheat have been unsatisfactory, but spring wheat yields are good. In the Scandinavian countries the crop is reported below normal as the result of unfavorable weather. Indications are that the crop in Sweden will be considerably below that of a year ago, and it is reported that wheat will be imported from the Soviet Union; but with liberal old crop supplies, imports are likely to be small. The British Isles are expecting a better-than-average crop, largely as a result of increased acreage.

Production in the Danubian countries, estimated at 300 million bushels, is unchanged from a month ago. This is a reduction of about one-third from the large 1939 harvest. The estimate of 300 million bushels includes Bessarabia and northern Bukovina - territory now ceded to the Soviet Union. This area normally produces about 20 percent of the Rumanian crop, but this year it appears to account for a somewhat larger share of that country's total.

The harvest in The Soviet Union has been officially stated as above those in either of the past 2 seasons, with the most favorable reports coming from the Black Sea region.

Good surpluses are estimated for Turkey and, while fair quantities are being withheld, some arrivals are reported in the Danube Basin. The latest official estimate of the wheat crop in Japan was 61 million bushels compared with 61 million bushels in 1939. The acreage was reported at 2,064,000 acres compared with 1,927,000 acres a year ago. The preliminary

forecast of the wheat crop in China by the United States Agricultural Attaché is 700 million bushels as compared with an estimate of 667 million bushels for 1939, and the estimate for Manchuria of 31 million bushels or about the same as in 1939.

The first estimate of sown acreage in Argentina is 17.1 million acres, 5 percent less than the 17.8 million acres seeded a year ago. Recent cold weather further strengthened new wheat, but in a few sections in the north there are reports of insufficient rainfall. On the basis of the indicated area sown and weather developments to date and assuming average conditions for the rest of the season, a crop of about 190 million bushels is indicated. In Australia the outlook continues very unsatisfactory. Recent rains were disappointing, and moisture is still urgently needed with the crop reaching a critical period of growth. On the basis of the reported damage to date but allowing for more normal weather conditions for the remainder of the season, an outturn of about 120 million bushels might be expected. On the other hand, continued dry weather would further reduce this estimate.

The official estimate for India is 402.6 million bushels compared with the 1939 harvest of 370.6 million bushels.

Table 3.- Production of wheat in specified countries, 1937-40

Country	1937	1938	1939	1940 1/
Northern Hemisphere	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
North America:				
United States	875,676	931,702	754,971	784,000
Canada	180,210	360,010	489,623	561,000
Mexico	10,955	11,845	14,771	13,000
Total (3)	1,066,841	1,303,557	1,259,365	1,358,000
Europe:				
Europe, excl. Danube Basin and Soviet Russia (26)	1,178,000	1,393,000	1,263,000	1,075,000
Danube Basin (4)	361,000	466,000	453,000	300,000
Total (30)	1,539,000	1,859,000	1,716,000	1,375,000
North Africa (4)	119,000	121,000	151,000	125,000
Asia (6)	678,000	741,000	738,000	750,000
Total 43 countries	3,402,841	4,024,557	3,864,365	3,608,000
Estimated Northern Hemisphere total, 2/ excluding Soviet Russia and China	3,406,000	4,029,000	3,869,000	3,611,000
Southern Hemisphere				
Argentina	184,801	367,433	119,453	190,000
Australia	187,256	155,369	210,110	120,000
Union of South Africa	10,157	17,093	15,310	17,000
Estimated world total, 2/ excluding Soviet Russia and China	3,852,000	4,636,232	4,270,000	3,997,000

Compiled from official data.

1/ Data are, in most instances, unofficial forecasts and should be interpreted as preliminary indications only.

2/ Includes estimates for other countries besides those listed.

Total world supplies less than 100 million bushels below supplies in 1939

Total wheat supplies for the year beginning July 1940 may be less than 100 million bushels smaller than those a year earlier, when they totaled about 5,445 million bushels, the largest supply on record. As in the case of the production figures, information on which to base an estimate of stocks or of disappearance is scantier than usual this year, and the figures given in table 4 are at best only indications. Exports from the Soviet Union are expected to be small, and greatly reduced imports by continental Europe are expected to reduce world disappearance in 1940-41.

Table 4.- Estimated world wheat supply, years beginning July 1939-40, and distribution year beginning July 1939

Item	Year beginning July 1		Increase or decrease
	1939 estimates	1940 indications	
	Million bushels	Million bushels	Million bushels
Carry-over July 1 1/	1,175	1,390	+ 215
Production 1/	4,270	3,997	- 273
Total supply	5,445	5,387	- 58
Net exports from the Soviet Union	- 2		
Total of above	5,443		
Disappearance	4,053		
Carry-over June 30	1,390		

1/ Excluding stocks and production in Soviet Russia and China.
2/ Net imports.

World trade in 1940-41 may be about one-third less than year earlier

A continuation of the blockade and present governmental policies in surplus producing countries will greatly restrict world trade in 1940-41. Under such conditions, takings by European countries are not expected to exceed 250 to possibly 275 million bushels, and those by non-European countries perhaps 150 million bushels. Trade figures for recent periods with comparisons are shown in tables 10 and 11.

The Canadian wheat supply on September 1 remaining for export in 1940-41 or for carry-over at the end of the season is estimated at about 729 million bushels, the largest supply on record (table 5). The carry-over of Canadian wheat on August 1 was 301 million bushels (273 million in Canada and 28 million bushels in the United States) and production was estimated at 561 million bushels, making a total supply of 862 million bushels. Deducting probable domestic disappearance of 125 million bushels and August exports of about 8 million bushels leaves the September 1, 1940 surplus at about 729 million bushels. A year earlier the surplus was 476 million bushels.

The supply for export or carry-over in Australia on September 1 is estimated at 111 million bushels, compared with 39 million bushels a year earlier. High shipping costs and the great distance from European markets has greatly reduced outlets for Australian wheat. However, the very small crop in prospect somewhat alleviates the problem of a burdensome surplus during the coming season.

Computed on the basis of a carry-over on January 1, 1940 (which has been revised to 106 million bushels) plus production less domestic consumption until the new crop next January less exports through August, the surplus is about 15 million bushels. The reported surplus in Argentina is only slightly more than this. The Argentine surplus September 1, 1939 was 169 million bushels.

Table 5.- Estimated wheat surplus for export or carry-over for three exporting countries, September 1, 1937-40 1/

Position	1937	1938	1939	1940
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Canada				
In Canada	103	253	469	701
In the United States	3	1	7	28
Australia	25	30	39	2/ 111
Argentina	14	25	169	3/ 15
Total	145	309	684	855

1/ Carry-over at the beginning of the year (Canada, July 31; Argentina, January 1; Australia, December 1 of the previous year) plus production minus domestic utilization for the year, minus monthly exports to date.
2/ Based on official exports through February, and unofficial estimates for succeeding months.
3/ See text.

Minimum prices at Winnipeg reduced

Relaxation of quota regulations applying to the delivery of wheat at country stations in Canada 4/ was announced by the Canadian Wheat Board, effective September 10. For a number of points in Manitoba, Saskatchewan and Alberta the quota was increased to 8 or 10 bushels per acre, and for a few points to 15 bushels per acre, depending upon availability of storage space.

The Wheat Board also announced that it is now prepared to accept delivery of 1939 wheat from growers in addition to the 1940 crop. All deliveries of 1939 wheat must also be within the quota regulations. Having made it possible for growers to deliver all their wheat at the initial price, the Grain Board requested the Winnipeg Grain Exchange to lower its minimum prices on wheat futures to bring them into line with the initial price level. Effective September 18, minimum prices of October futures on the Winnipeg Grain Exchange

4/ See "Features of Canada's Wheat Policy" in The Wheat Situation for August 1940, pages 23-24.

were reduced from 73-5/8 to 70 cents a bushel, and December wheat from 74-5/8 to 71-5/8 cents a bushel. Cash wheat prices were placed on a comparable basis.

Following the abolition of minimum prices in Argentina on August 19, prices of October futures declined from the peg of 70 cents to an average for the week ended September 21 of 58.7 cents.

Table 6.- Average closing price of December wheat futures, specified markets and dates, 1939 and 1940

Period	Winnipeg 1/		Buenos Aires		Chicago		Kansas City		Minneapolis	
	1939	1940	1939	1940	1939	1940	1939	1940	1939	1940
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Month										
June	63.3	69.2	---	---	74.6	80.7	70.1	75.5	77.6	78.7
July	56.0	67.8	---	---	67.6	76.2	62.9	70.7	70.6	75.2
Aug.	55.2	67.8	---	---	66.3	74.0	61.2	68.3	69.0	72.1
Week ended -										
Aug. 3	54.8	67.8	---	2/ 72.6	65.5	76.3	60.6	70.6	68.9	74.6
10	53.4	67.8	---	2/ 70.5	64.4	75.2	59.5	69.3	67.4	72.8
17	52.9	67.8	---	2/ 71.5	65.5	73.1	60.3	67.2	68.6	70.5
24	58.2	67.8	2/ 58.5	2/ 66.3	68.7	71.9	63.2	66.4	70.9	70.6
31	59.6	67.8	2/ 55.1	2/ 66.7	70.4	74.5	65.3	69.3	72.0	73.3
Sept. 7	73.0	67.8	2/ 54.3	2/ 65.6	85.1	77.2	79.8	72.2	86.7	76.4
14	70.4	67.8	2/ 53.3	2/ 63.0	85.4	76.3	80.7	71.2	86.9	75.5
21	69.2	66.0	4/ 55.8	2/ 58.7	85.9	77.5	81.2	72.4	86.2	76.4
High 4/	73.0	67.8	2/ 58.5	2/ 77.1	85.9	78.0	81.2	72.2	86.9	77.6
Low 4/	52.9	66.0	2/ 53.3	2/ 58.7	64.4	71.9	59.5	66.4	67.4	70.5

1/ Conversions at noon buying rate of exchange to week ended September 16, 1939, subsequently; Winnipeg figures at official rate which is 90.909 cents. Any United States buyer of Canadian grain would be required to make settlement in terms of United States dollars through an agent of the Canadian Foreign Exchange Control Board at the official rate.
2/ October futures.
3/ November futures.
4/ July 6-September 21, 1940 and corresponding dates, 1939.

Table 7.- Percentage of hard red, and soft red winter wheat in specified grades, 1939-40
(Based on inspected receipts at representative markets, July 1 to August 31)

Item	Hard Red Winter wheat			Soft Red Winter wheat		
	Sub-class	1939	1940	Sub-class	1939	1940
		Percent	Percent		Percent	Percent
	Dk.Hd.	45	58			
	Hard	54	42	Red		
	Yellow Hd.	1	0			
Grade						
1		13	45		2	22
2		46	25		43	53
3		36	15		43	19
4		4	9		7	3
5		0	5		1	1
Sample		1	1		4	2
Special grades						
Tough		3	0		20	9
Light Smutty		0	0		1	1
Smutty		0	0		1	1
Light Garlicky					3	2
Garlicky					18	17

Table 8.- Percentage of hard red spring, and durum wheat in specified grades, 1939-40
(Based on inspected receipts at representative markets, August 1 to 31)

Item	Hard Red Spring wheat			Durum wheat		
	Sub-class	1939	1940	Sub-class	1939	1940
		Percent	Percent		Percent	Percent
	Dk.N.S.	99	98	H.A.Du.	94	93
	N.S.	1	2	A.D.	5	6
				Durum	1	1
Grade						
1 Heavy		8	21		---	---
1		26	50		42	31
2		23	16		46	58
3		32	11		11	9
4		9	2		1	1
5		2	0		0	1
Sample		0	0		0	0
Special grades						
Tough		0	1		0	1
Light Smutty		0	0		0	0
Smutty		0	0		0	0

Table 9.- Average price per bushel of wheat received by farmers, United States, 1930-40

Year beginning July	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	Crop year average
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1930	70.6	74.0	70.3	65.6	60.0	61.3	59.1	58.7	58.3	59.2	59.9	51.9	67.1
1931	36.3	35.4	35.7	36.1	30.5	44.1	44.1	44.0	44.2	43.1	42.4	37.3	39.0
1932	35.6	38.5	37.4	34.6	32.8	31.6	32.9	32.3	34.5	44.8	59.0	58.7	38.2
1933	86.9	74.7	71.1	63.6	71.1	67.3	69.4	72.0	70.9	68.7	69.5	78.9	74.4
1934	78.8	89.6	92.2	88.5	88.1	90.6	89.3	87.9	85.5	90.2	87.8	77.3	84.8
1935	76.4	80.8	85.2	95.1	87.6	89.0	92.0	91.1	89.5	85.4	81.6	79.9	83.2
1936	94.1	105.1	104.3	106.8	106.4	114.5	123.6	124.9	123.2	126.6	118.3	108.9	102.6
1937	112.8	99.4	93.0	88.7	81.9	83.6	88.6	86.6	80.3	75.0	71.4	69.7	96.3
1938	60.8	50.7	52.5	52.2	52.0	53.6	57.1	56.9	56.7	57.8	63.0	62.5	1/56.1
1939	55.7	54.5	72.7	70.3	73.1	82.4	84.5	84.1	85.1	88.9	80.7	67.4	1/69.1
1940	61.4	60.1											

Compiled from reports of the Agricultural Marketing Service, based on returns from special price reporters. Monthly prices by States weighted by production to obtain a price for the United States; average for the year obtained by weighting State price averages for the crop-marketing season. 1908-29 in The Wheat Situation, October 26, 1939, page 17.

1/ Preliminary. Includes unredeemed loans on wheat at estimated average loan value.

Table 10.- Shipments of wheat, including flour from principal exporting countries for the fiscal year 1938-39 and specified dates 1939 and 1940

Period	Argentina		Australia		Danube		North America	
	1938-39	1939-40	1938-39	1939-40	1938-39	1939-40	1938-39	1939-40
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
July-June	114,272	173,776	102,116	41,684 1/	52,848	39,616	245,296	209,872
Week ended-	1939	1940	1939	1940	1939	1940	1939	1940
July 6	4,372	3,409	1,468	2/	624	232	5,368	3,185
13	3,660	2,726	1,880	2/	1,240	216	2,840	4,194
20	2,276	2,771	1,108	2/	736	64	4,056	2,683
27	2,076	3,339	1,696	2/	2,072	48	3,112	3,958
Aug. 3	3,240	3,648	880	2/	312	0	3,920	3,430
10	3,544	2,230	880	2/	152	0	4,856	2,319
17	2,672	2,906	1,160	2/	168	0	5,832	3,598
24	4,236	2,758	1,684	2/	424	0	3,840	2,178
31	2,784	1,771	292	2/	520	0	2,616	3,483
Sept. 7	4,672	1,843	2/	2/	384	0	4,800	4,002
14	2,836	1,966	2/	2/	200	0	2,352	2,660

Compiled from Broomhall's Corn Trade News, and Chicago Daily Trade Bulletin.

1/ Official exports, July-February, compared with 58,949,000 bushels in the same period of 1938-39. 2/ Not available.

Table 11.- Movement of wheat, including flour, from principal exporting countries, 1936-37 to 1940-41

Country	Exports as given by official sources: Total 1936-37	Total 1937-38	Total 1938-39	July 1 to date shown 1938-39	July 1 to date shown 1939-40	July 1 to date shown 1940-41	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States 1/	21,584	107,194	115,784	12,764	7,270	3,686	July 31
Canada	213,028	94,546	159,885	8,522	15,596	13,280	July 31
Argentina	162,977	69,670	116,116	5,517	11,387	0	July 31
Australia	97,712	123,453	96,685	8,410	6,136	0	July 31
Soviet Union	4,479	43,354	2/38,000				
Hungary	27,428	9,368	27,650	86	1,978	0	July 31
Yugoslavia	17,954	5,012	5,346	0	110	0	July 31
Rumania	36,258	32,210	43,940	1,237	3,128	0	July 31
Bulgaria	7,275	8,489	2,633	173	1,042	0	July 31
British India	16,571	19,677	10,097	3,631	270	0	July 31
Total	605,266	512,973	616,136				

	Shipments as given by trade sources 3/: Total 1938-39	Total 1939-40	Week ended - 1940 Aug. 31	Sept. 7	Sept. 14	July 1 - Sept. 14 1939-40	July 1 - Sept. 14 1940-41
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America	245,296	209,872	3,483	4,002	3,660	43,592	35,690
Argentina	114,272	173,776	1,771	1,843	1,966	36,368	29,366
Australia	102,116		---	---	---	4/11,028	4/
Soviet Union	39,824		0	0	0	1,536	0
Danube and Bulgaria 5/	52,848	39,616	0	0	0	6,832	560
British India	6/10,097	6/	0	0	0	0	0
Total above	564,453					99,356	65,616
Total European shipments 4/	450,784						
Total ex-European shipments 4/	146,760						

1/ Includes flour milled in bond from foreign wheat.
2/ From official sources, through December, supplemented by unofficial estimates for the following 6 months.
3/ From Broomhall's Corn Trade News and Chicago Daily Trade Bulletin.
4/ Through Sept. 2 only; not available by weeks subsequently.
5/ Black Sea shipments only.
6/ Official 1938-39; not available currently.

Table 12.- United States wheat acreage seeded by regions, 1919-40
(Data for cover page)

Year	Hard Winter wheat region 1/	Spring wheat region 2/	Soft Red Winter region 3/	Pacific Northwest region 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres
1919	24,727	21,706	21,726	4,774
1920	22,063	19,905	18,192	4,817
1921	23,830	20,426	16,429	4,288
1922	25,478	18,065	16,448	4,268
1923	23,830	17,533	16,392	3,974
1924	20,177	16,006	13,223	3,958
1925	22,893	18,295	12,758	5,436
1926	23,935	18,056	12,229	4,256
1927	26,537	19,487	12,498	4,612
1928	27,204	21,130	15,369	4,699
1929	27,228	20,650	11,421	4,940
1930	28,321	19,955	11,350	5,010
1931	28,429	19,072	11,526	4,347
1932	27,102	20,777	10,790	4,595
1933	27,064	21,476	11,652	5,628
1934	26,604	17,626	12,618	3,987
1935	28,124	20,648	13,380	4,098
1936	29,909	21,864	13,799	4,909
1937	34,861	20,603	16,806	5,132
1938	35,428	21,576	14,620	4,576
1939	28,306	17,034	11,965	3,741
1940 5/	27,163	18,500	11,616	4,107
Average 1929-33	27,629	20,386	11,348	4,904

1/ Nebr., Kans., Okla., Tex., and Colo. 2/ Minn., N. Dak., S. Dak., and Mont. 3/ N. Y., Pa., Ohio, Ind., Ill., Mich., Mo., Del., Md., Va., W. Va., N. C., Ky., and Tenn. 4/ Idaho, Wash., and Oreg. 5/ Preliminary.

WHERE TO FIND STATISTICS ON THE WHEAT SITUATION NOT INCLUDED IN THIS ISSUE: 1/

	Page		Issue
THE WORLD WHEAT SITUATION			
Supply and distribution			
1922-39	7	Aug.	1940 WS-46
Averages 1924-28, 1928-37, annual 1914, 1937	6	Sept.	1939 WS-35
Acreage, yield, and production			
Acreage, yield, and production, 1923-39	10	Aug.	1940 WS-46
Production in specified countries, 1936-38	5	Jan.	1940 WS-39
Production in specified countries, 1939 (text)	13	Mar.	1940 WS-41
Stocks, July 1			
1922-40	7	Aug.	1940 WS-46
Major exporting countries, 1922-40	11	Aug.	1940 WS-46
International trade			
International trade in wheat including flour, 1909-38	21	Feb.	1940 WS-40
International trade in wheat flour, 1909-38	25	Jan.	1940 WS-39
World shipments and to Europe and non-Europe, averages 1910-14, 1930-34, and annual	7	Sept.	1939 WS-35
THE DOMESTIC WHEAT SITUATION			
Supply and distribution			
All wheat, 1923-38	2	Aug.	1940 WS-46
All wheat, averages 1910-14, 1924-28, 1928-37, annual, 1913-16, 1937	11	Sept.	1939 WS-35
Classes, 1929-39	26	Aug.	1940 WS-46
Supplies for export and carry-over, 1923-39	5	Aug.	1940 WS-46
Acreage, yield, and production			
Acreage, yield, and production, 1919-40	8,9	Aug.	1940 WS-46
Production by classes, 1919-39	17	Jan.	1920 WS-39
Stocks			
July 1, 1923-40	2	Aug.	1940 WS-46
January 1, 1936-40	8	Feb.	1940 WS-40
Exports and imports			
Exports of wheat including flour to specified countries, 1910-39	27	Aug.	1940 WS-46
Exports of wheat to specified countries, semi-annually beginning July 1937	28	Aug.	1940 WS-46
Exports of wheat flour to specified countries, semi-annually, beginning July 1937	29	Aug.	1940 WS-46
Imports into the United States, 1923-39	30	Aug.	1940 WS-46
Sales and income			
Sales, price per bushel, and cash income, 1910-39	13	Feb.	1940 WS-40

1/ Selected tables used most frequently.

STATISTICS ON THE RYE SITUATION IN "THE WHEAT SITUATION" FEB. AND AUG., 1940